

# AIS-ELO National Conference

Southern Europe:  
The social regulation of the economy  
in the Mediterranean capitalism

15th-17th October 2015

University of Cagliari  
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and Institutions  
CAGLIARI

Toward an *enactive model*  
of the *new economy*:

*preliminary*  
*notes*

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Aim:

an enactive approach  
to economic interactions  
and

social regulations of economy

## The "new economy" in old bottles

### Two critical elements

- The overvaluation of market and state
- The reductionist description of the market

### In search of a solution

The divisive status of “alternative” economy  
The digital revolution and the technological unemployment  
The economy as relational work

## WHY OLD BOTTLES FOR THE SO-CALLED "NEW ECONOMY"?

The economic crisis highlights the *limits of the interpretations* of the capitalist system, *whether from its proponents or his critics.*

There is no crisis other than  
the crisis actors speak about  
(Goffman);  
e.g. in a key factor:  
the attention to people's resilience

# THE OVERVALUATION OF MARKET AND STATE

A crucial lack: the *capitalocentric view*,  
or...

all economic identities with reference to capitalism  
as fundamentally the same as (or modelled upon)  
capitalism

(Gibson-Graham)

# household economy

and in general the so called

informal economy

play a **major role** in our system

-childcare, food preparation, care of elderly or ill persons in the home, maintenance of the home and of household vehicles and appliances, and household-based transportation...

-80 percent of GDP  
(Australia);

1/4th to 1/3°, up to 50% of GDP  
(depending on the country)...

The usual term of 'informal economy', is an intellectual ghetto under which to store what is not market or state labeled. But...

**'non-profit-economies',**  
or **'non-so-profit-economies',**  
refer to a wide forms of relationships,  
***sharing, gift, family and friendship***  
***economies,***

**permeate all of what we use to**  
**understand as 'capitalistic' or 'profit based**  
**economies'.**

For instance,

- **Household economy** supports **creativity and innovation** (Murray et al. 2010).
- **FOSS Digital technologies** play a key role in **mobility, food sharing, knowledge diffusion...**
- **Proactive interventions** by citizen , from **services provision** to the **production of knowledge and science.**

And..

They are **innovative social interactions** facing the **2007-8 crisis!...**



# THE DIVISIVE STATUS OF “ALTERNATIVE” ECONOMY.

If you meet a locally-grown, organic,  
communal lifestyle on the road, **kill it.**

*Julie A. Nelson*

So far, the **framework** of the economic processes remains anchored to the **opposition capitalism vs anti-capitalism:**

a narrative of the market that is followed by supporters as well as by detractors...

**AFR** (Alternative Forms of Resilience) = economic activities organized outside the for profit sector = solidarity economy, social economy, human economy, third sector etc.. by citizen groups and networks in their attempt to confront and survive hard economic times (Kousis and Pachou 2014: 82).  
= Activities based on reciprocity and solidarity (SSE= Social Solidarity Economy).

**Six criteria** characterizing AFR Ould Ahmed (2014) :

- . Non-economic concerns of economic practices
- . Rejection of competitive individualism of capitalist societies
- . Promotion of self-management of production
- . Economic empowerment of the excluded/disadvantaged groups
- . Political and economic equality
- . Freedom of choice in solidarity action participation

The *collaborative economy* and the underlying informal economies bring a mental “alternative” model,

*They are economic practices but they don't have a for-profit motivation*  
*- such as barter networks; such as social currencies; co-operatives; self-management; agricultural networks; helping each other simply in terms of wanting to be together; networks of providing services for free to others in the expectation that someone will also provide to you. All this exists and it's expanding throughout the world." Castells (2012)*

**97% of people surveyed [in Catalonia] have engaged in non-capitalist economic activity.** As Castells (answering to a question):

*For instance, during the crisis, **one third of Barcelona families lent money, without interest, to people who are not in their family.***

*(Castells et al. 2012)*

## Dualistic mode of thinking is contradicted by everyday life experience

E.g.

Cooperatives, especially those related to public utility such as transportation, water, gas, electricity etc...

Like **in Rome**, where coops and the political system have created a systemic glue governance: not simply a case of a bad egg or corruption, but an opaque system

. **At national level** in almost any program of great infrastructures in which cooperatives and the private business have been involved:

MOSE Flood barrier project in Venice, others linked to the EXPO 2015 in Milan, gas distribution pipelines nearby Naples, the waste industry..

New social forms like  
*the commons, the sharing economy, the  
economy of solidarity, the gift economy ... ..* and  
the rediscovery of cooperation (Gary Alperovitz)  
permit the  
expression of individual creativity and collective  
transformation.

## **INDIVIDUALIZATION PROCESS** (Beck and Beck, Gernsheim, Giddens,...):

In the *industrial society*...

... the individual is constituted with roles in institutions.

In the *post-industrial stage*,...

... individuals transform their identity as "given" to "commitment": they reproduce *and change* themselves.

→ a *collective experience that the reference to classes hides*...

→ *political self-organization rather than to participation*.

→ We need effective action-research for the interdependent self-determination of individual and collective.

**THE DIGITAL  
REVOLUTION AND  
THE TECHNOLOGICAL  
UNEMPLOYMENT.**

The **digital revolution**

**not only ‘causes job losses’,**

**it also puts a powerful tool for  
economic contributions in hands of  
individuals with spare time.**

**A potential that may be seen in the  
case of NEETS...**

Technological unemployment may be increasing worldwide.

Skilled tasks in translation, legal research and low level journalism, and even some tasks requiring empathy, like care work or entertainment, are partially taken over by machines

The issue is how society manage, through its individuals and collectives, the savings of time thanks to machines and management improvements.

## Interpretations:

- A problem of aggregate demand
  - (e.g. Paul Krugman)
- Stagnation: economic system can not innovate sufficiently and increase productivity
  - (e.g. Edmund Phelps)
- - A new era of "end of work" due to computers (Jeremy Rifkin 1995).

Winners and losers:

The highly skilled to those with low skills,

The superstars against the world,

The capital to work.

And more:

- Capital has appropriated an increasing share of GDP while the share of the work is steady.

- The polarization of the labor market: intensive jobs cognitive high profile and income and, manual labor in low-wage, with an erosion of are in the middle (a U turn).

44% of companies that have reduced their workforce from the 2008 crisis made it through automation. For some it is a case of defining it a “prosperous economy without occupational development”.

47% of jobs in the database in 2010 is at risk within one or two decades.

*However*

The crisis has also prompted the search for a **proactive approach** to everyday life, and the growing of the **digital technologies** triggered new initiatives.

It is called ***The Great Transition***.

Beyond the the state and the market → **the Commons or “sharing economy”**.

(But sharing economy is still a hybrid... )

*“it improves the capacity to do more for and by themselves;  
to do more in loose commonality with others, without a price system or in  
hierarchical models,  
and to do more informal organizations that operate outside the market  
sphere”*

*→ A substantial nonmarket production at the very core of our economic  
engine – the production and exchange of information, and through it of  
information-based goods, tools, services, and capabilities*

*→ a genuine limit on the extent of the market*

*(Benkler 2006).*

Also Jeremy Rifkin (2014): the trend to zero marginal cost of  
goods, among other aspects, will overcome the domination of  
the market economy → “the Age of Access”.

# **ECONOMY AS RELATIONAL WORK**

# ECONOMY AS RELATIONAL WORK *(Zelizer)*

Any economic activity has  
*relational packages:*

- distinctive social ties
- a set of economic transactions
- media for those transactions
- negotiated meanings

However, the isolation of consciousness from the picture is a mistake:

considering the individual herself is not a reduction, but rather an integration (see Gergen's concept of relational being)

**Individuals** act within a social framework in which they *feel the situation* – and feeling precedes the cognitive understanding and attribution of meaning.

Their **understanding** is **embodied** and their **body is social** as well, but not entirely (Barbalet).

“Interactions” in Zelizer's view should be intended as **situations and contexts**, i.e. the structure of the game, not the process of game itself.

**Contemplative knowledge** supplies a fresh experience; in any interaction anyone there is the opportunity to change, challenging whatever meaning available.

Experience is not what we express and narrates to others: it is a full body-mind living act of being in the present moment.

Social practices derived from the wisdom traditions helps people to self-transformation, individuals challenge their own culture and their personal habits

# CONCLUSIONS

In this global movement participants are “related analogically rather than organizationally and connected through webs of signification” (Sofri and Graham: 121)

→ It requests an vision that includes individuals.

→ minimal conceptual grids enabling actors to decide on set of properties to guide the dance of change

(Peter Senge).

From the sociology of absences to a world of multiple possibilities (De Sousa Santos).

Structural imperatives are no more the main working tools: everyday negotiation on economic matters is the rule.

We need **to find out “relational work packages”** that favor well being of the greatest number with interdependent self-autonomy, whatever the economic form implied (profit capitalism, state economy, and even the ‘economies of the commons’).

For the first time in human history, **individuals** are **able to study themselves and the environment.** Knowledge is widespread, potentially available to all, and innovative methods and techniques may arise.

If soft skills are already recognized, it is time to **recognize the life skills** on which they are based.

Reconnect our thinking and action to real life: our work must be a **personal commitment in this extraordinary *in vivo* laboratory** - the current mix of market, state and collaborative economy and its contradictions - to contribute to the cessation or reduction of social and economic suffering

In other words, ***an enactive model to study economic and social interactions.***

**Thanks.**